

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7176

BILL NUMBER: SB 215

DATE PREPARED: Apr 7, 2001

BILL AMENDED: Apr 5, 2001

SUBJECT: Commission on Caregivers.

FISCAL ANALYST: Kathy Norris

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FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill amends requirements of the Drug Utilization Review Board concerning prior authorization programs and programs to reduce costs in the Medicaid outpatient prescription drug program. The bill extends the Prescription Drug Advisory Committee until December 2003 and allows legislative members on the Advisory Committee to vote. The bill requires the Prescription Drug Advisory Committee to make every effort to first expand the current program design to provide an increased benefit to cover a high percentage of the out-of-pocket costs paid by the recipient for the recipient's prescription drugs.

This bill also establishes the Governor's Commission on Caregivers to study issues regarding the availability and quality of caregivers in long term care health settings. The bill requires the Commission to submit a report to the Governor and Legislative Council by not later than October 1, 2002. It allows the Commission to contract with a private individual or organization to provide the staff support necessary for the operation of the Commission, including conducting research and developing the required report. It appropriates \$49,000 from the state General Fund for the Commission to fulfill its purpose.

Effective Date: July 1, 2001.

Explanation of State Expenditures: (Revised) This bill establishes a 20-member Governor's Commission on Caregivers to study issues regarding the availability and quality of caregivers in long term care health settings. Specifically, the Commission will do the following: (1) review data and information on the availability and need for long term caregivers, (2) evaluate barriers to increasing the supply of long term caregivers, (3) evaluate the adequacy of existing training programs in the state for long term caregivers, and (4) develop recommendations to increase the supply of long term caregivers.

Nine members of the Commission will be state employees or elected officials and eleven will be lay members. The chairperson of the Commission will be the Governor or the Governor's designee on the

Commission. Lay members are entitled to a per diem of \$50 (\$550 per diem for all lay members per meeting). Total costs will depend on the number of meetings held.

In addition, this bill provides for an appropriation of \$49,000 from the state General fund to provide for staff support necessary to meet the operational and research requirements of the Commission. These funds will not revert to the state General Fund at the close of the fiscal year but rather will remain available to the Commission through October 1, 2002, the date the Commission's final report is to be submitted to the Governor and the Legislative Council.

This bill also requires the Drug Utilization Review Board to meet monthly. The Board is required to evaluate and make recommendations to the Office of Medicaid Policy and Planning on programs or initiatives that can be used to reduce costs in the Medicaid outpatient prescription drug program. In conjunction with the Office, the Board is to prepare a quarterly report regarding the cost savings and other information for the Select Joint Committee on Medicaid Oversight. FSSA reports that this provision will require additional staff time that will be absorbed within the current level of resources available.

The bill also extends the authority of the Indiana Prescription Drug Advisory Committee until December 31, 2003. (*Currently, the authority for the Committee expires December 31, 2001.*) The expenses of the Committee meetings are paid from the appropriations of the Master Settlement Agreement Tobacco Fund.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Health, State Board of Nursing, Family and Social Services Administration, Office of Medicaid Policy and Planning, and the Indiana Pharmaceutical Assistance Program, Commission for Higher Education, State Superintendent of Public Instruction, Department of Workforce Development, Department of Commerce, Department of Labor.

Local Agencies Affected:

Information Sources: Susan Preble, Legislative Liaison for Family and Social Services Administration.